

1997 Major Taxes Comparison with Nearby States (continued)

SALES AND USE	CT	DE	MD	MA	NJ	NY State	NY City	OH	PA
YEAR OF ADOPTION	1947	—	1947	1966	1966	1965	1965	1934	1953
CURRENT RATE	6%	None	5%	5%	6%	4% ¹	8.25% ²	5% ³	6% ⁴

¹ State rate is 4%; counties and municipalities may impose additional tax up to 4% plus an additional metropolitan area surcharge of .25%.

² New York City rate includes New York State rate.

³ State rate is 5%; each county may impose an additional 2%.

⁴ State rate is 6%; City of Philadelphia imposes an additional 1% for a total of 7%.

SALES AND USE TAX EXEMPTIONS

(T—Taxable; E—Exempt)

	CT	DE*	MD	MA	NJ	NY	OH	PA
Beer On—Premises	T	E	T	T	T	T	T	T
Beer Off— Premises	T	E	T	E ¹	T	T	T	T
Cigarettes	T	E	T	T	T	T	T	T
Clothing	E ²	E	T	E ³	E	T	T	E
Food Off—Premises	E ⁴	E	E ⁴	E ⁴	E ⁴	E ⁴	E	E ⁴
Liquor On—Premises	T	E	T	T	T	T	T	T
Liquor Off—Premises	T	E	T	E ¹	T	T	T	T
Manufacturing Equipment	E	E	E	E	E	E	E	E
Motor Fuels	T	E	E	E ⁵	E	T	E	E

*Delaware does not impose sales and use taxes. Gross receipts taxes of varying amounts (less than 1%) imposed on different types of sales.

¹ If purchased as “take-out” item from a package store.

² Single article \$49.99 and under; however, single article \$50.00 or over is taxable.

³ Single item \$175 and under; however, single article over \$175 is taxed on the amount in excess of \$175.

⁴ If purchase is in same form and condition as found in supermarket; however, prepared food ready to be eaten and snack food are subject to tax.

⁵ If fuel is subject to excise tax. If not for “on road use,” it is not subject to excise tax and, therefore, subject to sales tax. Example: Contractor has a bulldozer for “off road use” which runs on diesel fuel. The fuel is not subject to excise tax; therefore, it is now subject to sales tax, unless used in performance of a government contract.

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	CT	DE	MD	MA	NJ	NY State	NY City	OH	PA
CORPORATION NET INCOME	10.5%	8.7%	7%	9.5%	7.5%, 9%	9%	8.85%	5.1%– 8.9%	9.99%
PERSONAL INCOME	*3%– 4.5%	*0%– 6.9%	*2%– 5%	5.95%, 12%	*1.4%– 6.37%	*4%– 6.85%	*2.96%– 4.46%	*0.693%– 7.004%	2.8%

*Graduated Rates

MOTOR FUELS¹

• Excise Tax/Gal.									
Gasoline	\$0.36	\$0.23	\$0.235	\$0.21	\$0.105²	\$0.08	0	\$0.22	\$0.12
Diesel	\$0.18	\$0.22	\$0.2425	\$0.21	\$0.135	\$0.08	0	\$0.22	\$0.12
• Sales Tax	6%	0.5%	0	5%	0	4%	4.25%	0	0

¹ Various other taxes are applied to motor fuels in the states of Delaware, New Jersey, New York, Ohio and Pennsylvania.

² Liquefied petroleum gas and compressed natural gas used in motor vehicles on public highways is taxed at 1/2 the general motor fuels tax rate (\$0.0525 per gallon).

ALCOHOL

• Excise Tax/Gal.									
Beer	\$0.20	\$0.156	\$0.09	\$0.11	\$0.12	\$0.16	\$0.28 ²	\$0.18	\$0.08
Wine	\$0.60– \$1.50	\$0.97	\$0.40	\$0.55– \$0.70	\$0.70	\$0.189– \$0.717	\$0.189– \$0.717 ²	\$0.32– \$1.50	\$0.005/ unit proof
Liquor	\$4.50	\$2.50, \$3.75	\$1.50	\$4.05	\$4.40	\$2.54, \$6.44	\$3.54– \$7.44 ²	\$3.38	\$1.00– \$1.30/proof gallon plus 18% of net price
• Sales Tax	6%	None	5%	5% ¹	6%	4%	8.25% ²	5%	6%

¹ Purchases for off-premises consumption are not taxable.

² New York City rate includes New York State rate.

³ Ohio Department of Liquor Control must pay the State Treasury \$3.38 for each gallon sold.

TOBACCO

• Excise Tax									
Cigarettes (20/pack)	\$0.50	\$0.24	\$0.36	\$0.76	\$0.80²	\$0.56	\$0.64 ¹	\$0.24	\$0.31
Other Tobacco (% of Wholesale Price)	20%	15%	0	25%	48%²	20%	20%	17%	0
• Sales Tax	6%	None	5%	5%	6%	4%	8.25% ¹	5%	6%

¹ New York City rate includes New York State rate.

² New rates effective 1/1/98.